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Miami-Dade County, Florida

RFQ No. 00311

DERIVATIVE PRODUCTS ADVISOR SERVICES

2.1 Background

The County has utilized a derivative products advisory firm since September 29, 2003. The current contract, RFQ No. 639, expires on April 5, 2016. The County anticipates that it will select a Proposer by that date. Upon current contract expiration, the current derivative products financial advisor shall complete any Swap assignments upon which they are working.

The selected Proposer shall NOT:

- A. Be a member of the County's underwriters Pool (RFQ No. 751, Underwriters Pool) or successor contract;
- B. Participate as a counterparty in any County Swap/Derivative product transaction; or
- C. Use Subcontractors/Subconsultants for services provided to the County under the contract issued as a result of this Solicitation.

However, the selected Proposer may participate in all competitive County bond transactions, so long as no Swap/Derivative product is associated with such bond transaction. Any County financial advisor may submit a proposal for this RFQ.

2.2 Qualification Requirements

The selected Proposer shall be a Derivative products financial advisor, an investment banking firm (except underwriting firms in the County's underwriting pool) with a Derivative products division, or a financial advisory firm with a Derivative products (structured products) division whose primary business is advisory services to governmental entities on Derivatives and Swaps. Any proposer must be an independent registered Municipal Advisor in accordance with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). The County does not anticipate awarding a contract to a Proposer that cannot provide this qualification.

2.3 Requirements And Services To Be Provided

A. Advisement

The selected Proposer shall, as it relates to Swap/Derivative products transactions, advise the County of the following:

1. On whether a Swap/Derivative product is advantageous and if so, how it should be priced, i.e., competitive, negotiated, or some other pricing process.
2. As it pertains to a competitive bidding process on the day of the bid, as to the best bid received (based upon the verification of bids), and to recommend an award which, in the selected Proposer's judgment, is in the best interest of the County.
3. On various Swap/Derivative products and other similar products available in the market.
4. As to the proper ratio of Swaps and Derivatives to the total related debt of the County.

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5. As to the liquidity of various Swap/Derivative products currently held by the County or those available in the market.

B. Assistance

The selected Proposer shall, as it relates to Swap/Derivative products transactions, assist the County on the following:

1. Prepare a timetable for each transaction and assist the County in coordinating all meetings and conference calls between the County and the firms involved in each transaction.
2. Determine the optimal timing for the transactions on an as needed basis.
3. Prepare and/or negotiate the following documents on an as needed basis:
 - a) The ISDA (International Swaps & Derivatives Agreement);
 - b) The Master Agreement;
 - c) The Confirmation;
 - d) The Credit Support Annex (CSA); and
 - e) The Notice of Bid.
4. Prepare bidding documents with respect to competitively bid Swap/Derivative products contracts.
5. Determine the pricing of negotiated Swap/Derivative products and provide a written fair market opinion as to the counterparty's spread and pricing at time of closing.
6. Evaluate financial risks, exposure and benefits of entering into Swap/Derivative products.

C. Review

The selected Proposer shall, as it relates to Swap/Derivative product transactions, review for the County the following:

1. On an as needed basis, all proposals for Swap/Derivative product transactions submitted to the County and provide a written recommendation for each proposal within the County's requested timeframe.
2. The capabilities and financial qualifications of proposed Swap counterparties and make recommendations to the County as to the counterparties' suitability.

D. Other Related Services

The selected Proposer shall:

1. On a pro-active basis, bring Swap/Derivative product ideas to the attention of the Finance Director.
2. Monitor on an on-going basis the existing and any new Swap/Derivative product and make recommendations as to any changes that should be made to these products.
3. Make Swap/Derivative product presentations to the Board of County Commissioners (BCC) on an as needed basis.

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4. Provide periodic reports to the County on municipal Swap market conditions, both within the State of Florida and nationwide, on an as needed basis.
5. Perform all other Services fundamental to Swap/Derivative products advisory services.

2.4 Additional Services

The selected Proposer shall:

1. Provide to the Finance Director, on a quarterly basis and as needed, a mark to market evaluation, including a termination value, of each County Swap/Derivative product and make recommendations to continue or terminate each Swap/Derivative.
2. Prepare and submit to the County via email or other County approved method, by each November 30th, annual mark to market evaluations for each of the County's Swap or Derivative products as of the County's Fiscal Year ended September 30.
3. Attend meetings between the County and representatives of the rating agencies, credit enhancement facilities and major institutional investors at County offices and via conference calls, on an as needed basis.
4. Assist the County in creating reports, such as Comprehensive Annual Financial Report (CAFR), Swap Policy Report for BCC, mark to market reports, fair market opinion reports and any other reports deemed necessary on an as needed basis determined by the County.